

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02255A
Yarnell Water Improvement Association, Inc.
PO Box 727
Yarnell, AZ 85362

y

RECEIVED

W. CONF. COMM
Director Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

3807 RA

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Yarnell Water Improvement Association</u>			
Mailing Address <u>PO Box 727</u>			
<u>Yarnell</u> (City)	<u>Arizona</u> (State)	<u>85362</u> (Zip)	
<u>(928) 427-3321</u> Telephone No. (Include Area Code)	<u>(928) 427-0243</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address <u>ywia@w3az.net</u>			
Local Office Mailing Address <u>PO Box 727</u>			
<u>Yarnell</u> (City)	<u>Arizona</u> (State)	<u>85362</u> (Zip)	
<u>(928) 427-3321</u> Local Office Telephone No. (Include Area Code)	<u>(928) 427-0243</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address <u>ywia@w3az.net</u>			

MANAGEMENT INFORMATION

Management Contact: <u>Tammy Zudell</u> <u>Office Manager</u>			
<u>22609 Looka Way</u> (Street)	<u>Yarnell</u> (City)	<u>Arizona</u> (State)	<u>85362</u> (Zip)
<u>(928) 427-3321</u> Telephone No. (Include Area Code)	<u>(928) 427-0243</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address <u>ywia@w3az.net</u>			
On Site Manager: _____			
_____ (Street)	_____ (City)	_____ (State)	_____ (Zip)
_____ Telephone No. (Include Area Code)	_____ Fax No. (Include Area Code)	_____ Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Tammy Zudell
 22604 Looka Way
 PO Box 727 Yarnell Arizona 85362
 (Street) (City) (State) (Zip)
 (928) 427-3321 (928) 427-0243
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input checked="" type="checkbox"/> Other (Describe) <u>Corporation - Non Profit</u> | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME Yarnell Water Improvement Association

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	24,471		
302	Franchises	34,884		
303	Land and Land Rights	23,732		
304	Structures and Improvements	57,473	45,153	
307	Wells and Springs	1,784	1,784	
311	Pumping Equipment	81,277	68,751	
320	Water Treatment Equipment	77,416	72,507	
330	Distribution Reservoirs and Standpipes	161,423	93,580	
331	Transmission and Distribution Mains	866,661	554,710	
333	Services	2,976	2,976	
334	Meters and Meter Installations	84,696	66,387	
335	Hydrants	61,754	28,092	
336	Backflow Prevention Devices	-	-	
339	Other Plant and Misc. Equipment	33,986	27,876	
340	Office Furniture and Equipment	7,757	3,493	
341	Transportation Equipment	22,105	2,148	
343	Tools, Shop and Garage Equipment	5,286	1,285	
344	Laboratory Equipment	-	-	
345	Power Operated Equipment	-	40	
346	Communication Equipment	-	-	
347	Miscellaneous Equipment	31,190	12,875	
348	Other Tangible Plant	101,115	101,115	
	TOTALS	1,671,885	1,087,681	

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Yarnell Water Improvement Association

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	24,471	.	
302	Franchises	37,864	.	
303	Land and Land Rights	20,752	.	
304	Structures and Improvements	59,373	0.03	
307	Wells and Springs	1,784	0.03	
311	Pumping Equipment	81,277	0.125	
320	Water Treatment Equipment	77,416	.	
330	Distribution Reservoirs and Standpipes	161,423	0.02	
331	Transmission and Distribution Mains	866,661	0.02	
333	Services	2,976	0.03	
334	Meters and Meter Installations	84,696	0.083	
335	Hydrants	61,754	0.02	
336	Backflow Prevention Devices		.	
339	Other Plant and Misc. Equipment	33,986	0.06	
340	Office Furniture and Equipment	7,757	0.06	
341	Transportation Equipment	22,105	0.2	
343	Tools, Shop and Garage Equipment	5,286	0.05	
344	Laboratory Equipment	.	.	
345	Power Operated Equipment	.	.	
346	Communication Equipment	.	.	
347	Miscellaneous Equipment	31,190	0.1	
348	Other Tangible Plant	101,115	0.03	
	TOTALS	1,671,885		33,035

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME Yarnell Water Improvement Association

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 981	\$ -136
134	Working Funds	264	268
135	Temporary Cash Investments	53,885	41,576
141	Customer Accounts Receivable	18,322	18,005
146	Notes/Receivables from Associated Companies	.	
151	Plant Material and Supplies	.	
162	Prepayments	4,406	0
174	Miscellaneous Current and Accrued Assets	206	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 78,063	\$ 59,040
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,671,885	\$ 1,661,630
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(1,087,681)	(1,095,406)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 576,479	\$ 573,948
	TOTAL ASSETS	\$ 604,733	\$ 632,988

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 4,544	\$ 0
232	Notes Payable (Current Portion)	32,900	39,636
234	Notes/Accounts Payable to Associated Companies	109	1,397
235	Customer Deposits	20,181	16,969
236	Accrued Taxes	8,750	13,724
237	Accrued Interest	153	1,419
241	Miscellaneous Current and Accrued Liabilities	.	.
	TOTAL CURRENT LIABILITIES	\$ 61,984	\$ 71,747
	LONG-TERM DEBT (Over 12 Months)	.	.
224	Long-Term Notes and Bonds	\$ 308,792	\$ 285,575
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 375,211	\$ 358,719
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value	591	594
215	Retained Earnings	225,792	211,283
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 229,521	\$ 274,269
	TOTAL LIABILITIES AND CAPITAL	\$ 604,733	\$ 632,988

COMPANY NAME Yarnell Water Improvement Association

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 218,345	\$ 227,919
460	Unmetered Water Revenue	.	.
474	Other Water Revenues	1,990	2,794
	TOTAL REVENUES	\$ 220,335	\$ 230,712
		.	.
	OPERATING EXPENSES	.	.
601	Salaries and Wages	\$ 104,290	\$ 107,577
610	Purchased Water	.	.
615	Purchased Power	8,115	9,058
618	Chemicals	.	.
620	Repairs and Maintenance	12,972	12,097
621	Office Supplies and Expense	3,281	4,175
630	Outside Services	10,746	4,773
635	Water Testing	3,894	4,290
641	Rents	473	1,400
650	Transportation Expenses	2,729	2,499
657	Insurance – General Liability	8,610	9,260
659	Insurance - Health and Life	2,611	3,453
666	Regulatory Commission Expense – Rate Case	.	.
675	Miscellaneous Expense	1,233	371
403	Depreciation Expense	31,485	33,035
408	Taxes Other Than Income	8,450	8,337
408.11	Property Taxes	13,347	14,112
409	Income Tax	.	.
	TOTAL OPERATING EXPENSES	\$ 212,236	\$ 214,437
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 1,455	\$ 873
421	Non-Utility Income	61	0
426	Miscellaneous Non-Utility Expenses	.	.
427	Interest Expense	.	.
	TOTAL OTHER INCOME/(EXPENSE)	\$ (20,094)	\$ (20,110)
	NET INCOME/(LOSS)	\$ (16,804)	\$ (18,578)

COMPANY NAME Yarnell Water Improvement Association

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	06/25/74	04/25/75		
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 769,000	\$ 100,000	\$	\$
Amount Outstanding	\$ 270,691	\$ 35,051	\$	\$
Date of Maturity				
Interest Rate	5 %	5 %	%	%
Current Year Interest	\$ 14,787	\$ 1,921	\$	\$
Current Year Principle	\$ 30,799	\$ 4,063	\$	\$

Meter Deposit Balance at Test Year End

\$ 13,284

Meter Deposits Refunded During the Test Year

\$ 2,194

COMPANY NAME	Yarnell Water Improvement Association
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-616-736	5 hp	230 gpm	180 ft	6 inch	3 inch	
55-616-737	7 hp	240 gpm	220 ft	6 inch	3 inch	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25 hp.	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000	2		
40,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Yarnell Water Improvement Association	
Name of System	13-057	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4		5,280 + 400
5		
6		60,720 + 2,200
8		18,480
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	580 + 17
3/4	
1	9
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	
Standpipe 2"	1

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

Chlorine Gas

STRUCTURES:

OTHER:

Fire Hydrants - 77 - 6 inch

Fire Hydrants 6 - 2 inch

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <u>Yarnell Water Improvement Association</u>	
Name of System <u>13-057</u>	ADEQ Public Water System Number (if applicable)

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	528	1,774,100	2,222,600	0
FEBRUARY	528	1,430,600	1,769,700	0
MARCH	526	1,729,200	2,084,100	0
APRIL	527	1,578,400	1,899,800	0
MAY	530	2,609,200	3,050,600	0
JUNE	531	3,444,200	4,184,000	0
JULY	530	2,906,200	3,599,300	0
AUGUST	524	2,398,300	3,082,000	0
SEPTEMBER	525	2,323,500	2,661,000	0
OCTOBER	527	1,958,500	2,521,000	0
NOVEMBER	533	1,952,300	2,272,000	0
DECEMBER	528	1,625,000	1,935,000	0
TOTALS →		25,729,500	31,281,100	0

What is the level of arsenic for each well on your system? 0.0020 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 5 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Yarnell Water Improvement Association YEAR ENDING 12/31/2006

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 14,112

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

2006 COMM
TAXES

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Tammy Zudell Office Manager</u>
COMPANY NAME	<u>Yarnell Water Improvement Association</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Tammy Zudell
SIGNATURE OF OWNER OR OFFICIAL
(928) 427-3321
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

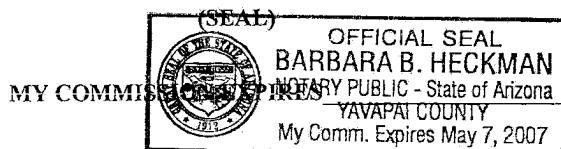
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

6

DAY OF March

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>March</u>
	<u>2006</u>



Barbara B. Heckman
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Yarnell Water Improvement Association YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 99,240
Estimated or Actual Federal Tax Liability 7,592

State Taxable Income Reported 99,240
Estimated or Actual State Tax Liability 218

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Tammy Zudell
SIGNATURE

2-28-07
DATE

Tammy Zudell
PRINTED NAME

Office Manager
TITLE

RECEIVED

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORP COMM
Director Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Tammy Zudell Office Manager</u>
COMPANY NAME	<u>Yarnell Water Improvement Association</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

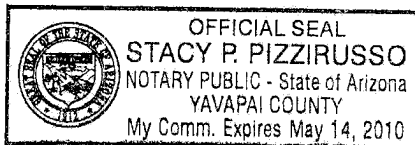
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:



Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 230,712

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 13,326
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

Tammy Zudell
SIGNATURE OF OWNER OR OFFICIAL
(928) 427-3321
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 28TH DAY OF

(SEAL)

COUNTY NAME	<u>YAVAPAI</u>
MONTH	<u>FEBRUARY</u> , 20 <u>07</u>

MY COMMISSION EXPIRES 5/14/2010

Stacy P. Pizzirusso
SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED
14 GUTH COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yavapai</u>	
NAME (OWNER OR OFFICIAL) <u>Tammy Zudell</u>	TITLE <u>Office Manager</u>
COMPANY NAME <u>Yarnell Water Improvement Association</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <u>\$ 230,712</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 13,326
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Tammy Zudell
SIGNATURE OF OWNER OR OFFICIAL
(928) 427-3321
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

28TH

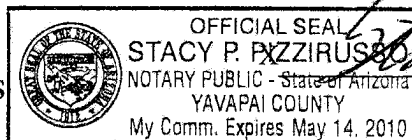
DAY OF

NOTARY PUBLIC NAME <u>Stacy P. Pizzirusso</u>	
COUNTY NAME <u>YAVAPAI</u>	
MONTH <u>FEBRUARY</u>	20 <u>07</u>

(SEAL)

MY COMMISSION EXPIRES

5/14/10



Stacy P. Pizzirusso
SIGNATURE OF NOTARY PUBLIC